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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|---|---|---|---|---|
| 09/415,392 | 10/08/1999 | DMITRY A. RAYKHMAN | D21-001 | 4774 |

7590    08/25/2004

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| ART UNIT | PAPER NUMBER |
|---|---|
| 3627 | |

DATE MAILED: 08/25/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

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BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Application Number: 09/415,392
Filing Date: October 08, 1999
Appellant(s): RAYKHMAN, DMITRY A.

R. Neil Sudol
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed June 2, 2004.

**(1)     *Real Party in Interest***

A statement identifying the real party in interest is contained in the brief.

**(2)     *Related Appeals and Interferences***

A statement identifying the related appeals and interferences which will directly affect or

be directly affected by or have a bearing on the decision in the pending appeal is contained in the

brief.

**(3)     *Status of Claims***

The statement of the status of the claims contained in the brief is correct.

**(4)     *Status of Amendments After Final***

The appellant's statement of the status of amendments after final rejection contained in

the brief is correct.

**(5)     *Summary of Invention***

The summary of invention contained in the brief is correct.

**(6)     *Issues***

The appellant's statement of the issues in the brief is correct.

**(7)     *Grouping of Claims***

Appellant's brief includes a statement that claims 1-8, 10-13, 16-25, and 55-66 do not

stand or fall together and provides reasons as set forth in 37 CFR 1.192(c)(7) and (c)(8).

**(8)     *Claims Appealed***

The copy of the appealed claims contained in the Appendix to the brief is correct.

*(9)     Prior Art of Record*

| | | |
|---|---|---|
| 4,980,826 | WAGNER | 12-1990 |
| 5,136,501 | SILVERMAN ET AL. | 8-1992 |
| 6,029,146 | HAWKINS ET AL. | 2-2000 |
| 5,845,265 | WOOLSTON | 12-1998 |
| 5,924,082 | SILVERMAN ET AL. | 7-1999 |

AAII Computerized Investing Newsletter. Equis International AAII - May/June 1998.

*(10)    Grounds of Rejection*

The following ground(s) of rejection are applicable to the appealed claims:

· Claims 1, 4-8, 10-13, 58, and 61-66 are rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 4,980,826 (Wagner).

Claims 16, 17, 22, 55, and 56 are rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 5,136,501 (Silverman et al. '501).

Claims 2, 3, 59, and 60 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wagner in view of Equis International AAII Computerized Investing Newsletter May/June 1998 (Equis).

Claims 18-20 and 23-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Silverman et al. '501 in view U.S. Patent No. 6,029,146 (Hawkins et al.).

Claim 21 is rejected under 35 U.S.C. 103(a) as being unpatentable over Siverman et al. '501 in view of U.S. Patent No. 5,845,265 (Woolston).

Claim 57 is rejected under 35 U.S.C. 103(a) as being unpatentable over Silverman et al.

'501 in view of U.S. Patent No. 5,924,082 (Silverman et al. '082).

*(11)* ***Response to Argument***

On page 8, second full paragraph (continued through page 9), Appellant argues Wagner

fails to disclose a "total stop amount" as defined in **claim 1**. The Examiner respectfully

disagrees. As set forth in the claim, a "total stop amount" refers to a monetary amount required

to cover a stop execution on the trading offer, the total stop amount including a primary quantity

equal to stop value multiplied by the number of units of the commodity included in the trading

offer. Additionally, Appellant cites a portion of Wagner relied upon by the Examiner. The first

citation listed by Appellant (column 8, lines 36-39) of Wagner forms the basis of the Wagner's

disclosure of a total stop amount. In column 8, Wagner discloses the use of a clearing system

(38) for constantly checking so that the limitations cannot be violated. It is the Examiner's

position that the clearing system (38) would inherently check to make sure that a monetary

amount necessary to complete the total cost of the transaction (total quantity multiplied by the

per unit cost) would be determined in order for the trade to be completed. *Barron's Dictionary*

*of Finance and Investment Terms*, Fifth edition, defines "clear", as related to the securities

industry, as a comparison of the details of a transaction between brokers prior to settlement; final

exchange of securities for cash on delivery. The Examiner acknowledges that Wagner fails to

use the exact term "Total Stop Amount" as set forth in claim 1, but the clearing system (38) of

Wagner calculates a monetary amount necessary to cover the cost of the transaction as defined

by the term "Total Stop Amount".

On page 10, fourth full paragraph, Appellant argues that Wagner fails to disclose the automatic allocation or reservation of a calculated total stop amount from the available amount in client or trader account as required by **claim 4**. As set forth above, the clearing system (38) must determine that the buyer has sufficient funds to meet the total cost of the transaction. If sufficient funds are not available to the buyer in a buyer account, the clearing system will acknowledge this deficiency and stop the transaction before completion. Therefore, the clearing system (38) of Wagner is responsible for automatically allocating or reserving the total stop amount (the monetary amount required to cover the total cost of the transaction) from the available amount in the client or trader account.

On page 11, third full paragraph, Appellant argues that Wagner fails to disclose a digital signal is transmitted upon an only upon a determination that the total stop amount is less than available amount in the client or trader account as required by claim 6. Once again, the clearing system (38) in Wagner is required to constantly check to make sure that all limitations of a trade are valid. As set forth above, clearing systems are responsible to validate that sufficient funds are available for the transaction to be completed before a signal is sent that indicates completion of the trade.

On pages 11-12, Appellant argues that Wagner fails to disclose a client or trader computer connected to the computer network which generates a trading offer and compares the total stop amount with the available amount as required by **claim 7**. Further Appellant argues that it is Wagner's clearing house that calculates funds requirements. Like Appellant states, Wagner's clients or trader computer transmit trading orders. However, it's the trader's computer that is responsible for signaling actions taken by the clearing house. Therefore, the client or

trading computer perform an action that indirectly makes the comparison between the total stop amount and the available amount. While the clearing house is directly responsible for making the comparison, the client or trading computer performs actions that are necessary for the comparison to occur.

On page 12, Appellant argues that Wagner fails to disclose the trading offer additionally includes identification of the stop value as a stop amount per unit of the commodity as required by **claim 10**. The clearing system (38) of Wagner is responsible for verifying that available funds are sufficient to cover the total cost (unit cost multiplied by quantity). Therefore, Wagner's clearing system (38) meets the limitations of claim 10.

On page 13, Appellant argues that Wagner fails to disclose the limitations set forth in **claim 11**. More specifically, Appellant alleges that Wagner lacks disclose of displaying on the monitor a prompt for entry of a stop value. In this case the stop value is the cost of the transaction. The total cost is inputted in the form of Quantity and Price. Figure 23 is an example of a graphical user interface that shows input for QTY and PRICE which serve as input for Total Stop Amount.

On pages 14-15, Appellant argues that Wagner fails to disclose automatically calculating a total currency amount for carrying out a trading order, comparing the total currency amount with a capital amount available in a given account, and transmitting an order signal on the trading order upon and only upon determining that sufficient capital is available in the account as set forth in **claim 16**. Appellant points out that Silverman '501 discloses that a credit limit is verified before the transaction is completed. Appellant alleges that verifying a credit limit does not equate to "a capital amount available in a given account". The Examiner respectfully

disagrees. Silverman's system verifies that capital is available from an account in order for the transaction to complete. Despite the fact that the capital is available via credit, the funds that trader has available is in fact capital at the time of the transaction. For example, if a company borrows money via credit to buy assets, the company is spending capital. Therefore, in Silverman, verifying a credit limit is in fact verifying that the necessary capital is available to complete the transaction.
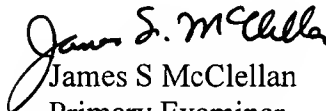
On page 15 (continued on page 16), Appellant argues that Silverman fails to disclose determining that sufficient capital exists in a given account before forwarding the trading offer over the computer network to other traders on the computer network as required by **claim 22**. While Silverman appears to upload potential offers before the credit limit is checked, the Examiner argues that an offer is not valid until the proper funds are verified. Therefore, the Examiner concludes that Silverman's system of verifying that necessary funds are available precedes the submission of a valid offer to buy or sell.

On page 17, fourth full paragraph, Appellant argues that Silverman does not disclose that the same server computer that maintains queues of bids and offers and is operated to determine whether a trading offer matches any bid or offer in the queues also modifies accounts of traders who make trading offers on which a trade is executed as required by **claim 55**. The Examiner argues that central system (20) is responsible for directing outside agencies in order to modify accounts. While it appears that the central computer (20) is not the final node in the network that ultimately modifies user accounts, the central computer (20) is responsible for directing the final node (outside agencies). Therefore, the central computer (20) is indirectly, but nevertheless, responsible for modifying user accounts

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

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Primary Examiner
Art Unit 3627

jsm
August 17, 2004

Conferees
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